

Message Text

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ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 SSO-00 INRE-00 NSCE-00 USIE-00
AID-05 CIAE-00 COME-00 EB-08 FRB-03 INR-07
NSAE-00 TRSE-00 XMB-02 OPIC-03 SP-02 LAB-04
SIL-01 OMB-01 SS-15 STR-06 CEA-01 AGRE-00 /084 W
-----130682 121944Z /47

O R 121815Z JAN 78
FM AMEMBASSY ROME
TO SECSTATE WASHDC IMMEDIATE 9832
INFO AMEMBASSY BERN
AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY COPENHAGEN
AMEMBASSY DUBLIN
AMCONSUL FLORENCE
USMISSION GENEVA
AMCONSUL GENOA
AMEMBASSY LONDON
AMEMBASSY LUXEMBOURG
AMCONSUL MILAN
AMCONSUL NAPLES
AMCONSUL PALERMO
AMEMBASSY PARIS
AMEMBASSY THE HAGUE
AMCONSUL TRIESTE POUCH

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USEEC ALSO FOR EMBASSY
USMTN ALSO FOR MISSION

E.O. 11652: N/A
TAGS: ETRD, EC, IT
SUBJECT: GOI LIMITS IMPORTS OF CERTAIN STEEL AND TEXTILE IMPORTS
TO DESIGNATED PORTS OF ENTRY
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1. GOI PUBLISHED IN OFFICIAL GAZZETTE NO. 8 OF JAN.
9, 1978 MINISTERIAL DECREE (DATED JAN. 5) THAT RESTRICTS
IMPORTS OF CERTAIN IRON, STEEL AND TEXTILE PRODUCTS TO
CERTAIN PORTS. EFFECTIVE DATE OF MINISTERIAL DECREE
(ISSUED BY MINISTRY OF FINANCE) IS JAN. 10. MORE
SPECIFICALLY, MINISTERIAL DECREE RESTRICTS IMPORTS OF

FOLLOWING IRON AND STEEL PRODUCTS, AS INDICATED BY BRUSSELS TRADE NOMENCLATURE (BTN) NUMBER, TO CUSTOMS CENTERS AT BARI, BRESCIA, GENOA AND TRIESTE: 73.01, 73.02, 73.08 THROUGH 73.15 AND 73.18. IMPORTS OF THE FOLLOWING CATEGORIES OF TEXTILES ARE PERMITTED ONLY THROUGH BERGAMO, BIELLA, PRATO, VENICE, VARESE AND CIVITAVECCHIA: 55.05, 55.09, 56.07, 58.04, 60.03, 60.04, 60.05, 61.01 THROUGH 61.05, 62.02, 63.01 AND 63.02. THESE TEXTILES ITEMS ARE ALMOST THE SAME AS THE TEXTILES SUBJECTED TO AUTOMATIC IMPORT LICENSING SYSTEM AS REPORTED REFTEL. OFFICIAL EXPLANATION OF PURPOSE OF MINISTERIAL DECREE IS THAT CUSTOMS CLEARING PROCEDURES FOR THE SPECIFIED STEEL AND TEXTILE IMPORTS NEEDED TO BE BOTH SIMPLIFIED AND MORE THOROUGH AND, THEREFORE SPECIALIZATION IN HANDLING THESE IMPORTS WAS REQUIRED.

2. MINISTERIAL DECREE IS BASED ON ART. 3 OF PRESIDENTIAL DECREE OF DEC. 16, 1977 WHICH AUTHORIZES MINISTER OF FINANCE TO CONCENTRATE CUSTOMS CLEARING FOR SPECIFIC TRADE ITEMS IN CERTAIN CUSTOMS CENTERS.

3. AS DEPARTMENT IS AWARE, GSI TRADING CO. (ROCKVILLE CENTER, NEW YORK) ALREADY HAS REQUESTED INFORMATION ABOUT NEW MEASURE AS ITS NAPLES AGENT HAS ADVISED GSI TO STOP FURTHER SHIPMENTS OF TIN PLATE UNTIL SITUATION CLARIFIED. GSI AGENT TOLD EMBOFF THAT IF MINISTERIAL LIMITED OFFICIAL USE

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DECREE REMAINS IN EFFECT, SHEETS (CUT FROM COILS) GSI SHIPS TO NAPLES FOR USE IN ITALIAN CANNING INDUSTRY, WHICH IS CONCENTRATED IN THE NAPLES AREA, WOULD BECOME UNECONOMIC. SHIPMENTS WOULD HAVE TO CLEAR CUSTOMS AT GENOA (AS TRIESTE EVEN FURTHER AWAY AND BARI NOT SUFFICIENTLY EQUIPPED) AT ADDITIONAL COST OF 200,000 LIRE (ABOUT \$228) PER 18 TONE CONTAINER. ACCORDING TO GSI AGENT U.S. TIN PLATE WOULD NOT LONGER BE ABLE TO COMPETE WITH IMPORTS OF SECOND AND THIRD QUALITY TIN PLATE FROM THIRD COUNTRIES. HE NOTED U.S. SHIPS ABOUT 40,000 TONS OF TINE PLATE PER YEAR NO NAPLES AND THAT GSI ALONE ALREADY HAS SOLD 6,500 TONS FOR THE FIRST HALF OF 1978.

4. CRITICISM OF MINISTERIAL DECREE IS EXTENSIVE, ESPECIALLY FROM PORTS WHICH WILL BE DEPRIVED OF BUSINESS. DELEGATIONS, INCLUDING PARLIAMENTARY REPRESENTATIVES, FROM NAPLES, LA SPEZIA, SAVONA, PIOMBINO, RQVENNA AND PALERMO ALREADY HAVE MADE THEIR VIEWS KNOWN TO MINISTER OF FINANCE PANDOLFI. REPORTEDLY PANDOLFI JUSTIFIED NEW DECREE ON GROUNDS THAT FURTHER LIMITATION ON IMPORTS OF STEEL AND TEXTILES NEEDED TO PROTECT DOMESTIC INDUSTRY. HE INDICATED, HOWEVER, WILLINGNESS TO REVIEW DECREE AND SMALL

COMMITTEE HAS BEEN FORMED FOR THAT PURPOSE.

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5. GSI AGENT IN NAPLES TOLD EMBOFF THAT NAPLES PORT
AUTHORITIES, BUSINESSES AND UNIONS ARE UP IN ARMS OVER
NEW MEASURE AS 70 PERCENT OF TRADE PASSING THROUGH PORT
IS EITHER STEEL OR TEXTILES. HE CLAIMED THAT GOI
EFFORTS TO SAVE JOBS OF 30,000 STEEL WORKERS WAS
JEOPARDIZING 40,000 JOBS OF PORT WORKERS. HE ALSO
NOTED THAT ITALIAN PLANTS TURN OUT ONLY PRIME QUALITY
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TIN PLATE WHILE MANY CANNING PLANTS IN NAPLES AREA REQUIRE ONLY SECOND AND THIRD QUALITY (WASTE-WASTE), IN SOME CASES BECAUSE THEIR MACHINERY IS NOT ADAPTED TO ITALIAN PRODUCT. WHILE DEMAND FOR TIN PLATE HIGHLY SEASONAL, HE SAID, ITALIAN PRODUCERS HAD SOLD ALL THEIR PRODUCTION AND STOCKS IN PEAK MONTHS (APRIL AND MAY) OF 1977.

6. EMBOFF RAISED MATTER AT MINISTRY OF FOREIGN TRADE AND WAS INFORMED ON CONFIDENTIAL BASIS THAT NEW DECREE HAD BEEN ISSUED "UNILATERALLY" BY MINISTRY OF FINANCE (I.E. WITHOUT APPROVAL OF OTHER INTERESTED MINISTRIES) AND THAT MINISTRY OF FOREIGN TRADE (MFT) OFFICIALS HAD ADVISED AGAINST MEASURE OF THIS TYPE. EMBOFF ATTEMPTED DISCUSS DECREE WITH DIRECTOR GENERAL OF CUSTOMS DEL GIZZO, WHO WAS IDENTIFIED AS ITS MAIN ARCHITECT, BUT FOUND HE IS IN CONTINUING SERIES OF MEETINGS. MFT OFFICIAL SAID HE BELIEVED, HOWEVER, "MEASURE WAS TAKEN IN PURSUANCE OF POLICIES AGREED AMONG EC COUNTRIES."

7. UNLESS DEPARTMENT OBJECTS, EMBASSY PLANS TO DELIVER NOTE TO MFA EXPRESSING CONCERN ABOUT DECREE BY C.O. B. JAN. 13. HOLMES

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: STEEL, TEXTILES, IMPORT CONTROLS
Control Number: n/a
Copy: SINGLE
Draft Date: 12 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978ROME00686
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780018-1059
Format: TEL
From: ROME USEEC
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780169/aaaacgen.tel
Line Count: 196
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 9437fce3-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3782803
Secure: OPEN
Status: NATIVE
Subject: GOI LIMITS IMPORTS OF CERTAIN STEEL AND TEXTILE IMPORTS TO DESIGNATED PORTS OF ENTRY LIMITED OFFICIAL USE
TAGS: ETRD, EC, IT
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/9437fce3-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014